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HOUSE BILL 2594

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State of Washington

57th Legislature

2002 Regular Session

By Representatives Edwards, Schmidt, Lovick, O'Brien, Miloscia,  
Barlean, Pearson and Dunshee

Read first time 01/22/2002. Referred to Committee on Transportation.

1 AN ACT Relating to public transportation systems; and amending RCW  
2 36.57A.110 and 36.57A.130.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 36.57A.110 and 1975 1st ex.s. c 270 s 21 are each  
5 amended to read as follows:

6 (1) The public transportation benefit area shall have and exercise  
7 all rights with respect to the construction, acquisition, maintenance,  
8 operation, extension, alteration, repair, control and management of  
9 passenger transportation which any component city (~~shall have~~) has  
10 been previously empowered to exercise, and such powers shall not  
11 thereafter be exercised by such component cities without the consent of  
12 the public transportation benefit area(~~PROVIDED, That any~~). A  
13 city owning and operating a public transportation system on July 1,  
14 1975, may continue to operate such system within such city until such  
15 system (~~shall have~~) has been acquired by the public transportation  
16 benefit area, and a public transportation benefit area may not acquire  
17 such system without the consent of the city council of such city except  
18 as provided by subsection (2) of this section.

1       (2) If a public transportation benefit area and a city both operate  
2 a public transportation system within a county having a population over  
3 one hundred fifty thousand, the county shall submit a ballot  
4 proposition asking whether the public transportation benefit area shall  
5 acquire the city's public transportation system. The county must hold  
6 an election on this question on or before September 30, 2003. The  
7 costs of the election will be paid by the public transportation benefit  
8 area.

9       (3) A ballot proposition under subsection (2) of this section is  
10 subject to the following conditions:

11       (a) The electorate will be the voters of the public transportation  
12 benefit area and the city;

13       (b) The ballot proposition will state that acquisition of the  
14 city's public transportation system subjects the city to all  
15 obligations of the public transportation benefit area, including taxes  
16 and other liabilities; and

17       (c) A simple majority vote decides the ballot proposition.

18       (4) If the electorate authorizes acquisition of the city's public  
19 transportation system:

20       (a) The city is subject to all obligations of the public  
21 transportation benefit area, including taxes and other liabilities;

22       (b) The public transportation benefit area will:

23       (i) Acquire the city's public transportation facilities and  
24 properties; and

25       (ii) Compensate the city for the fair market value of the  
26 facilities and properties; and

27       (c) The representatives of the public transportation benefit area's  
28 component cities and counties must meet within ninety days of the  
29 election to review and change the composition of the governing body, if  
30 the change is deemed appropriate.

31       (5) The acquisition of a public transportation system under this  
32 section is not an annexation under RCW 36.57A.140.

33       (6) If the electorate votes against acquisition of the city's  
34 public transportation system, effective January 1, 2004, the city will  
35 pay the public transportation benefit area for the services rendered  
36 its citizens as required by RCW 36.57A.130. This obligation continues  
37 until such time as the public transportation benefit area acquires the  
38 city's public transportation system.

1       **Sec. 2.** RCW 36.57A.130 and 1983 c 151 s 1 are each amended to read  
2 as follows:

3       (1) The treasurer of the county in which a public transportation  
4 benefit area authority is located shall be ex officio treasurer of the  
5 authority. In the case of a multicounty public transportation benefit  
6 area the county treasurer of the largest component county, by  
7 population, shall be the treasurer of the authority. However, the  
8 authority, by resolution, and upon the approval of the county  
9 treasurer, may designate some other person having experience in  
10 financial or fiscal matters as treasurer of the authority. Such a  
11 treasurer shall possess all of the powers, responsibilities, and duties  
12 the county treasurer possesses for a public transportation benefit area  
13 authority related to investing surplus authority funds. The authority  
14 may (and if the treasurer is not a county treasurer, it shall) require  
15 a bond with a surety company authorized to do business in the state of  
16 Washington in an amount and under the terms and conditions the  
17 authority, by resolution, from time to time finds will protect the  
18 authority against loss. The premium on any such bond shall be paid by  
19 the authority.

20       (2) All authority funds shall be paid to the treasurer and shall be  
21 disbursed by the treasurer only on warrants issued by the county  
22 auditor, upon orders or vouchers approved by the authority. However,  
23 the authority may, by resolution, designate some person having  
24 experience in financial or fiscal matters, other than the county  
25 auditor, as the auditor of the authority. Such an auditor shall  
26 possess all of the powers, responsibilities, and duties that the county  
27 auditor possesses for a public transportation benefit area authority  
28 related to creating and maintaining funds, issuing warrants, and  
29 maintaining a record of receipts and disbursements.

30       (3) The treasurer shall establish a "transportation fund," into  
31 which shall be paid all authority funds, and the treasurer shall  
32 maintain such special accounts as may be created by the authority into  
33 which shall be placed all money as the authority may, by resolution,  
34 direct.

35       (4) If the treasurer of the authority is a treasurer of the county,  
36 all authority funds shall be deposited with the county depositary under  
37 the same restrictions, contracts, and security as provided for county  
38 depositaries. If the treasurer of the authority is some other person,  
39 all funds shall be deposited in such bank or banks authorized to do

1 business in this state that have qualified for insured deposits under  
2 any federal deposit insurance act as the authority, by resolution,  
3 shall designate.

4 (5) An authority may provide and require a reasonable bond of any  
5 other person handling moneys or securities of the authority, but the  
6 authority shall pay the premium on the bond.

7 (6)(a) The county or counties and each city or town which is  
8 included in the authority shall contribute such sums towards the  
9 expense for maintaining and operating the public transportation system  
10 as shall be agreed upon between them. If a public transportation  
11 benefit area and a city both operate a public transportation system  
12 within a county with a population over one hundred fifty thousand, the  
13 city will pay the public transportation benefit area:

14 (i) The average subsidy per passenger of the public transportation  
15 benefit area multiplied by the number of unlinked passenger trips made  
16 by that city's residents on the public transportation benefit area  
17 transportation system; plus

18 (ii) The depreciation expenses of the public transportation benefit  
19 area, divided by the combined population of the public transportation  
20 benefit area and the city, multiplied by the population of the city.

21 (b) Payment under this subsection (6) must be made by May 1, 2005,  
22 and by May 1st of each following year. Calculations under (a)(i) and  
23 (ii) of this subsection will be based on the experience of the previous  
24 calendar year.

25 (7) The public transportation benefit area will determine the  
26 amount under subsection (6)(a)(i) of this section as provided in this  
27 subsection.

28 (a) The average subsidy per passenger will be determined by:

29 (i) Subtracting the fare revenues for all modes of transportation  
30 in the public transportation benefit area from the sum total of  
31 operating expenses for those modes; and

32 (ii) Dividing by the total number of unlinked trips for all modes  
33 of transportation in the public transportation benefit area, as  
34 determined by the most recent national transit data base figures for  
35 that system.

36 (b) The number of unlinked passenger trips made by that city's  
37 residents will be determined by the most recent on-board rider surveys  
38 performed biennially by an independent consultant. The public

- 1 transportation benefit area and the city will equally share the cost of
- 2 the survey.

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